

11/9/30



**MASTER AGREEMENT**

**BETWEEN**

**Lockheed Martin Mission Systems and  
Training Services, Inc.  
(LM MST)**

**AND**

**Little Rock Association of Instructors,  
Technicians, and Support Personnel  
(LRAITSP)**

**Collective Bargaining Agreement  
Effective September 1, 2015 to December 31, 2018**



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## **PREAMBLE**

This Agreement is effective the 1<sup>st</sup> day of September 2015, by and between Lockheed Martin, Mission Systems and Training Services, hereinafter referred to as the "Company," and the Little Rock Association of Instructors, Technicians and Support Personnel, hereinafter referred to as the "Association."

## **ARTICLE 1 RECOGNITION**

**Section 1. Recognition.** The Company hereby recognizes the Association as the sole and exclusive bargaining representative of employees of the company performing work as Simulator Instructors, Technicians and Support Personnel at Little Rock AFB, Arkansas, Contract #FA8621-11-C-6288 and successor contracts, for the purpose of collective bargaining with respect to wages, hours of work and other conditions of employment of employees in the bargaining unit as herein defined, all as certified by the National Labor Relations Board in case number 26-RC-8401. If an existing training site covered by this agreement should relocate in its entirety to a new location, which is not covered by a collective bargaining agreement or does not have an existing Simulator Instructors and Support Personnel workforce, all provisions of this agreement shall remain in effect at the new location including seniority.

**Section 2. Bargaining Unit.** All full-time and regular part-time employees listed in the classifications identified in Article 26 of this Agreement, or this Agreement as amended, employed by the Company, with regard to the C-130J Maintenance Aircrew Training System (JMATS) program for the United States Air Force located at Little Rock Air Force Base, Arkansas, but excluding all other employees, including office clerical employees, professional employees, and supervisors as defined in the National Labor Relations Act, as amended, all as certified by the National Labor Relations Board in case number 26-RC-8401. The specific terms of this contract shall be the sole source of any rights that may be asserted by the Association against the Company.

## **ARTICLE 2 NON-DISCRIMINATION**

The Company and the Association separately and jointly recognize their obligation to abide by those state and federal laws relating to equal employment opportunity and nondiscrimination. The Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran or handicap status. It is understood that wherever in this Agreement employees or jobs are referred to in the male or female gender; it shall be recognized as referring to both male and female employees.

**ARTICLE 3  
MANAGEMENT RIGHTS**

**Section 1.** Except as modified by a specific provision of this Agreement, the Company reserves and retains all of its normal and inherent rights with respect to the management of the business, including (without limiting the generality of the foregoing) its right to establish or continue policies, practices, and procedures for the conduct of the business; to select and direct the working force, to establish, eliminate, change, or combine work schedules and work assignments; to transfer, promote or demote employees, or to lay off, terminate or otherwise relieve employees from duty for lack of work or other legitimate reasons; to subcontract work which is not intended to result in the permanent displacement of current bargaining unit employees; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge or otherwise discipline employees for just cause; to establish the methods, processes and means of providing services; and otherwise to take such measures as management may determine to be necessary to the orderly, efficient or economical operation of the business. It is understood and agreed that any of the powers and authority, which the Company had prior to the signing of this Agreement, are retained by the Company except those specifically modified, delegated or granted by this Agreement.

**Section 2.** The Company's failure to exercise any right, prerogative, or function hereby reserved to it, or the Company's exercise of any such right, prerogative, or function in a particular way, shall not be considered a waiver of the Company's right to exercise such right, prerogative, or function or preclude it from exercising the same in some other way not in conflict with the express provisions of this Agreement.

**ARTICLE 4  
SUBSTANCE ABUSE POLICY**

The Company and the Association are committed to providing employees with a drug-free and alcohol-free workplace. It is the goal of both parties to protect the health and safety of employees and to promote a productive workplace, as well as to protect the reputation of the Company, the Association, and the employees. Consistent with these goals, the Company prohibits the use, possession, distribution, or sale of drugs, drug paraphernalia, or alcohol on Company premises. The Company also prohibits an employee from being under the influence of illegal drugs or alcohol while at work. Bargaining unit employees will continue to be subject to drug and alcohol testing under the Company's substance abuse policy. The Company agrees that any such testing will be conducted in compliance with applicable federal or state regulations. Pre-employment drug testing is a condition of employment. All drug and alcohol testing will be at the expense of the Company.

**ARTICLE 5  
ASSOCIATION SECURITY AND CHECK-OFF**

- Section 1.** Upon receipt of a signed authorization form from an employee, the Company shall deduct from the employee's pay the initiation and/or reinstatement fees and dues payable by said employee to the Association. Deductions shall be made from the first paycheck of the employee after receipt of the authorization and weekly thereafter. The Company will remit the deductions to the Association monthly. Check-off form to be prepared by the Association.
- Section 2.** Agency Shop. The parties agree that if and when Little Rock AFB is legally determined to be a FEDERAL ENCLAVE, the parties will implement an agency shop. Until that time membership in the Association and/or paying dues will not be a condition of employment.

**ARTICLE 6  
ASSIGNMENT OF ASSOCIATION REPRESENTATIVES**

- Section 1.** It is hereby understood and agreed that the Association may assign one (1) Lead Association Representative and one (1) Alternate Association Representative to represent bargaining unit employees. The Alternate Association Representative may act in the absence of the Lead Association Representative. It is further recognized that two represented employees within the company may be chosen as stewards. The Association shall notify the Company in writing on Association letterhead of the individuals so selected in this capacity.
- Section 2.** It is agreed that Association Representatives have full-time job duties to perform as employees and that they shall keep time spent in handling grievances to a minimum.
- Section 3.** The Company recognizes and will work with Association Representatives to resolve differences that may occur from time to time with respect to the terms and conditions of this Agreement. An Association Representative shall not leave the job to handle a grievance unless he has received permission from the Site Manager or designee or their designated representative.

**ARTICLE 7  
NO STRIKE/NO LOCKOUT CLAUSE**

- Section 1.** During the term of this Agreement, the Association, its officers, agents, representatives and members covered by this Agreement, agree that there shall be no strikes, concerted failure to report for duty, concerted absence of employees from their positions, concerted stoppage of work, concerted submission of resignations, concerted abstinence in whole or in part by any group of employees from the full and faithful performance of their duties of employment or acts of a similar nature which would interfere with production. Should the Association or employees covered hereunder breach this Article, the Company may discipline the employees involved up to and including discharge. In such event, the Association or affected employee may

grieve disciplinary actions taken against any such employee only with regard to a question of an employee's participation in any of the above-described activities. However, once participation has been established, management's action is no longer subject to the grievance procedure. In the event that employees cease work in violation of this Article, such employees shall not be entitled to any benefits or wages while they are engaged in such cessation of work.

**Section 2.** The Company agrees that for the duration of this Agreement there shall be no employee lockouts.

## **ARTICLE 8 SECURITY**

**Section 1.** The Association recognizes that the Company may now have, or may incur in the future, obligations with respect to the security of information and materials under contract with the Government.

**Section 2.** The Association agrees that nothing contained in this Agreement shall place the Company in violation of security agreements with the Government.

**Section 3.** It is understood by and between the parties hereto that, as a necessary condition of continued employment, employees shall be subject to investigation for security clearance or national agency check and/or unescorted entry authorization under regulations prescribed by the Department of Defense, or other agencies of the United States Government on governmental work, and that denial or withdrawal of such clearance and/or unescorted entry authorization by such governmental agency shall be cause for release from the Company due to inability to meet job requirements. All security clearance and background checks will be at the expense of the company.

**Section 4.** It is understood that there shall be no liability on the part of the Company for any release growing out of the denial or withdrawal of clearance and/or unescorted entry authorization by the United States Government.

**Section 5.** The Company will reinstate the seniority of an employee whose denied security clearance is reinstated by the Federal Government. A non-probationary employee who loses his security clearance or site access for any reason will not lose his seniority until final adjudication of his appeal. Any employee whose seniority is reinstated within eighteen (18) months under this provision will be reinstated in his previously held occupational title.

## **ARTICLE 9 ENTIRE AGREEMENT**

This Agreement expresses the complete understanding of the parties on the subject of wages, hours of labor, and conditions of employment. This Agreement may be amended in writing by mutual agreement at any time. The Association and the Company, for the life of this Agreement, each voluntarily and unqualifiedly waives the right and each agrees that

the other shall not be obligated to bargain collectively with respect to any subject or matter referred to in this Agreement. Where absent in this agreement or with respect to Law, Company Policy prevails.

## **ARTICLE 10 MISCELLANEOUS PROVISIONS**

- Section 1. Safety.** The Company and the Association recognize the importance of safety in the workplace. The Company and Association shall make every effort to assure compliance with established State and Federal safety and health standards/regulations. Employees will be required to comply with all safety rules, and failure to do so will result in disciplinary action up to and including discharge.
- Section 2. Safety Equipment.** The Company will provide to employees any personal protection equipment required in the performance of their duties. If not provided, the company will reimburse any "out of pocket" expenses, not otherwise covered, to an employee who is injured or damages his clothing due to lack of protection.
- Section 3. Dress Code.** Employees are expected to present a neat and professional appearance at all times. A mustache/beard is permitted as long as it is neatly trimmed and well groomed. The Company will provide five (5) shirts annually per employee to be worn in the performance of their duties as mutually agreed between the Site Manager or designee and the Association. Additionally, the Company will provide pilot instructors one (1) set of gloves and fire retardant coveralls and loadmaster instructors one (1) set of gloves and two (2) fire retardant coveralls to be worn during shop tours, aircraft preflight inspections, and fuselage trainer or aircraft training.
- Section 4. Employee Assistance Plan (EAP).** The Company will continue to provide an Employee Assistance Plan in accordance with company policy in effect on the effective date of this agreement.
- Section 5. Bulletin Board.** The Company will provide bulletin board space on two standard company bulletin boards, located in Bldg 1231 and Bldg 254. The bulletin board space may be used by the Association solely for the purpose of conveying official information from the Association to bargaining unit employees.
- Section 6. Resignation.** Employees are requested to give at least ten (10) work days notice of intent to resign.
- Section 7. Change of Address.** Employees are responsible for notifying the Company of their proper mailing address and current telephone number. Laid off employees are also responsible for notifying the Company of their proper mailing address and current telephone number to maintain recall rights. The Company shall be entitled to rely upon its records and shall be held harmless for any action that may arise out of said reliance.

- Section 8. Availability.** The association recognizes that due to the vital National Defense mission of C-130J MATS it is essential that all necessary personnel report in emergency situations.
- Section 9. Abnormal Plant Shutdowns.** The company will compensate employees, who are told not to report or are sent home, as directed by the Company, for those periods of time when weather related shutdowns, safety stand-downs, government/customer shutdowns, government mandated holidays, periods of national mourning, or inoperable training devices necessitate partial workday(s) or temporary closing of facilities.
- Section 10. Performance of Work.** The Company's supervisors or other non-represented employees are not to perform any bargaining unit work solely to prevent a bargaining unit employee from earning overtime.
- Section 11. Physicals.** Flight physicals, when required, will be provided at no cost to the employees and can be done on company time with the coordination of the Site Manager or designee. Mileage to/from the physician's office will be paid at the standard DoD rate. An employee can use a Company approved physician of his choice that is located within sixty (60) miles of Little Rock Air Force Base, AR.
- Section 12. Flight Insurance.** The company will provide employees with the opportunity to purchase Life Insurance and Optional Life Insurance. If contractual requirements necessitate employees to perform in-flight observation or instruction, the Company agrees to provide paid Accidental Death & Dismemberment coverage to a minimum of two (2) times base salary or current Company policy whichever is greater. If it is determined at a later time that contractual requirements necessitate in-flight Command, the Company agrees to purchase an appropriate level of coverage should this not be covered under the previously mentioned Company paid AD&D.
- Section 13. Aircraft Flight for Employees (Contract Training Instructors).** In the event of off-station delays, the Company will reimburse the employee for expenses incurred in accordance with Company travel policy in effect on the effective day of this agreement.

## ARTICLE 11 NEW JOBS

- Section 1.** When new bargaining unit jobs are required that cannot be properly encompassed within an existing job specialty, the Company will notify the Association of the requirements. The Association shall have thirty (30) days from the date of establishment in which to request collective bargaining regarding the rate of pay. If necessary, this matter is subject to the grievance procedure.
- Section 2.** The Company has the right to determine the job qualifications. Copies of job descriptions and required qualifications shall be retained by the Site Manager or designee and shall be made available to employees upon request. The Association shall be advised, in writing, of any revisions or modifications of job descriptions or qualifications.



**ARTICLE 12  
TECHNOLOGICAL CHANGE**

The Association will be given advance notice in writing, within two (2) weeks of said information being made available to the company, of any intended technological changes affecting the work of the bargaining unit to include new aircraft missions or aircraft types. An opportunity will be given to the Association to discuss the impact of such changes with the Company prior to their implementation.

**ARTICLE 13  
PROMOTIONS**

- Section 1.** The Company will endeavor to promote employees to higher paid positions and other job openings from within the bargaining unit if available employees have the skill and ability necessary to do the work. If two (2) or more employees' qualifications are substantially equal, the selection will be made on the basis of seniority. If the senior applicant is not selected, the Company will provide written justification of their decision to the non-selected applicant within five (5) working days. The non-selected employee will have five (5) working days upon receipt of the justification statement to submit a rebuttal. If the Company finds, on the basis of the rebuttal, that the two applicants' qualifications are substantially equal, the selection will be made on the basis of seniority. The employee is entitled to review any of his own personnel information used to make the decision.
- Section 2.** The Company will notify the bargaining unit employees of any openings to be filled within the bargaining unit prior to filling the position.
- Section 3.** Employees will be considered on probation in the new position for ninety (90) days. During this period the Company may, at its discretion, reclassify the employees to their former occupations if it is determined by the Site Manager or designee that the employee is not meeting the qualifications for that job specialty/classification. Likewise, within 90 days of being assigned to the new job specialty/classification, an employee may choose to return to his former occupation..
- Section 4.** The company may temporarily upgrade an employee to a higher paid position/classification to substitute for an employee on leave, leave without pay, or TDY. The employee shall receive the rate of the higher occupation if he works for a minimum of four (4) hours.

**ARTICLE 14  
DISCHARGE AND DISCIPLINARY ACTIONS**

The Company shall have the right to discipline employees for just and proper cause by reprimand, suspension without pay or discharge for violation or infraction of the Company rules. The Company agrees to notify the Association, in writing, of any action taken under this section. The disciplined employee is entitled to Association representation and will be notified of this right prior to discipline.

## ARTICLE 15

### SENIORITY

**Section 1. Probationary Period.** New employees shall be on probation for one hundred and eighty (180) calendar days from the initial hire date during which time they may be discharged at the sole discretion of the Company. If retained after the probationary period, their names shall be placed on the seniority list as of their date of hire. Earlier date of hire will be senior on the list.

**Section 2. Definitions.** Seniority date is defined as the employee's original date of hire into a job classification (as listed in Article 26 of this agreement) within the Little Rock AFB, AR bargaining unit, and includes service with the present, predecessor or successor contractor.

The last 4 digits of the employee's Social Security Number will break ties when seniority dates are the same. Lower number will be senior on the list.

Seniority will not be broken for:

- 1) Periods of approved absence with leave.
- 2) Periods of lack of work not to exceed twenty four (24) consecutive months.
- 3) Periods of Company approved absence due to injury or illness for the duration of said illness or injury.
- 4) Periods of official military service.

Seniority will be terminated:

- 1) Upon voluntary termination by employee.
- 2) Upon termination for cause.

**Section 3. Non-Represented Positions.** If a represented employee is hired into a non-represented position within the JMATS program at the Little Rock AFB facility, upon completion of service at that position, or four (4) years, whichever is less, said employee will be given a one time opportunity to return to the previously held represented position with full prior contractor seniority.

**Section 4. Seniority List.** A seniority list will be maintained by the Company and will be made available to the Association annually. The Company will also furnish a list to the Association reflecting new hires or rehires, their classification, their date of hire, and termination or layoff dates. Employees transferring from other sites within the company retain their original seniority date for benefit and vacation accrual purposes only.

## ARTICLE 16

### EMPLOYEE TRANSFERS

**Section 1.** An employee who has established seniority rights within the bargaining unit, and who is transferred to a position not covered by this Agreement, shall retain seniority rights for a period of one hundred and eighty (180) days. Transfers will only occur with mutual consent of both parties.

- Section 2.** Any employee who is permanently transferred to a Company facility other than the Little Rock AFB JMATS site will lose bargaining unit seniority rights.

**ARTICLE 17  
LAYOFFS AND RECALL**

- Section 1.** **Layoff.** When it becomes necessary to reduce the number of employees in a classification, seniority will be the deciding factor in making layoff and recall decisions. Layoff and recall shall be as follows.
- Section 2.** **Layoff Notice.** The Company agrees to give four (4) weeks notice or pay in lieu of notice at the Company's option, to the employees affected.
- Section 3.** **Recall.** Employees laid off will be recalled as follows: The Company will send recall notices, by certified mail to employee's last official address, which will instruct laid off employees when to report to work. The employee has ten (10) working days after receipt by the employee of the notice to report to work. If the employee does not report to work within ten (10) working days, the Employee will be deemed to have abandoned his job and will be removed from the Seniority list. Employees will be recalled by seniority, higher seniority first.

**ARTICLE 18  
GRIEVANCE PROCEDURE**

- Section 1.** When an employee or the Association collectively, has a grievance against the Company, it shall be processed in accordance with the Grievance Procedure hereinafter provided. Any grievance that either (a) is not appealed or (b) is disposed of in accordance with this Grievance Procedure shall be considered settled, and such settlement shall be final and binding upon the Company, the employee or employees involved, the Association and its members.
- Section 2.** **Step 1.** An employee believing he has cause for a grievance may, at his option, discuss the issue directly with his Site Manager or designee in an attempt to settle the grievance or may take it up with his representative who shall discuss the issue with the employee's Site Manager or designee. Both parties recognize the desirability of settling problems promptly through full discussion. Every effort will be made to resolve differences at the oral stage of the procedure. If the issue is not resolved orally, the grievance shall be submitted in writing to the Site Manager or designee within ten (10) calendar days from the date of the above meeting on a form provided by the Company. The Site Manager or designee should answer the written grievance in writing within ten (10) calendar days. The written grievance must specify the Article and Section, or Letter, of this Agreement or agreements supplemental thereto alleged to have been violated; must be signed by the aggrieved employee or employees, if available, and must specify the relief sought.
- Step 2.** Within ten (10) calendar days of the Site Manager or designee's answer, the Association Representative may appeal the grievance in writing

to the Program Manager. The Program Manager or his Designated Representative shall discuss the grievance with the representative within ten (10) calendar days after he receives it and shall answer it in writing within ten (10) calendar days after the discussion.

**Section 3.** If it is desired to appeal the grievance to Arbitration, a copy of the grievance appeal will be presented to a Human Resources Representative within ten (10) calendar days after the Company's Second Step disposition is received by the Association.

## **ARTICLE 19 ARBITRATION PROCEDURE**

The party choosing to arbitrate shall give written notice to the other party setting forth the matter to be arbitrated. If said notice is not served within ten (10) regular working days after the Company's Second Step disposition is received by the Association, it shall be deemed that the grievance has been satisfactorily adjusted and the right to arbitrate waived.

In the event the Association or the Company submits a grievance to arbitration, a representative selected by the Association shall meet with a representative selected by the Company within ten (10) regular working days of receipt of the above notice and attempt to agree on an arbitrator. In the event the parties cannot agree on an arbitrator within (10) working days, the parties will petition with the Federal Mediation and Conciliation Service for a panel of seven (7) arbitrators. In the latter case, the petitioner has the first right to strike a name; the other party shall then strike a name. This procedure shall continue alternately until one (1) name remains.

The decision of the arbitrator shall be final and binding on all parties. However, the arbitrator shall not have jurisdiction or authority to add to, subtract from, modify or in any way change the provisions of this agreement. The expense and fees of the Arbitrator shall be borne fully by the losing party.

## **ARTICLE 20 HOURS OF WORK**

**Section 1.** For employees on a Flex 5/40 schedule, the payroll workweek will begin at 0000:01 (12:00:01 A.M. EST/EDT) Monday and end at 2400 (12:00 Midnight EST/EDT) the following Sunday. The normal workweek for each employee shall consist of forty (40) hours with a minimum of two (2) consecutive days off, but the two (2) consecutive days off may be waived by mutual agreement of all parties. An alternative work schedule may consist of a Flex 9/80 schedule, the terms of which are provided for in Appendix "A", Memorandum of Understanding, Flex 9/80 Work Schedule, which shall be the controlling document. Employees may elect to work either a Flex 5/40 or Flex 9/80 work schedule. Changes to and from a work schedule must be made with management approval.

- a) A daily work schedule may begin on one calendar day and end on another. Except in extraordinary circumstances, employees will not be scheduled to work more than

twelve (12) consecutive hours in a work day without the concurrence of the employee. Employees will not be scheduled into an assigned day off without mutual consent of both parties.

- b) A standard shift is defined as 6 AM to 8 PM and for Fuselage Training Unit events that occur through 9 PM. Any employee whose scheduled hours of work fall outside of this standard shift, in whole or in part, will be paid shift differential of \$4.25 for all hours of that shift. This provision applies only to scheduled shifts. If an employee voluntarily offers or desires to work a different shift or work outside of the standard shift for personal reasons, shift differential will not be paid. This does not preclude one individual from swapping scheduled shifts with another individual and receiving appropriate pay for the shift actually worked. Further, overtime and shift differential will not be paid concurrently. If an employee is scheduled to work a standard shift and "acts of God" or maintenance problems require an extension of the work hours beyond the standard shift times, shift differential will not be paid. However, in this circumstance, the employee will still have the rights to a forty (40) hour work week and other provisions defined in Article 21. Management will make every effort to work with all employees as a team to address individual requirements and other issues which might arise from the implementation of this policy.
- c) Employees scheduled to work a standard shift on Saturday or Sunday will be paid at \$2.00 per hour premium for all hours worked during that shift. Weekend pay will not be paid concurrently with overtime pay or shift differential.
- d) Except for weather calamity or device malfunction, three (3) calendar days notice will be given for schedule changes. Changes to the schedule may be made with less than three (3) days notice by mutual agreement of all parties. Instructors will not be scheduled to work within twelve (12) hours of their previous day ending time without their concurrence.

**Section 2. Full-time Employees.** Full-time employees are those designated by Company management who normally work 40 hours on a regular basis. These employees will be paid to work 40 hours as conveyed to the employee in a formal offer letter of employment. The number of full-time employees working at a site is determined by Company management and is based on maintaining a competitive business posture and meeting the needs of the customer.

**Section 3. Part-time Employees.**

- a) Part-time employees are defined as those who will receive a minimum of sixteen (16) hours, but less than forty (40) hours per workweek, unless otherwise defined by mutual agreement of all parties. Part-time status is conveyed in the employee's offer letter. Changes from part-time to full-time status are made through a formal offer letter.
- b) Total of part time positions will not exceed 10% of the workforce of any current job classification. Should any classification have less than ten (10) employees, one employee may be part time. If there are ten or more employees, normal rounding rules apply as to the number of

- part-time employees. Total part time employee positions may be increased with mutual consent of the company and the association.
- c) Part-time employees are compensated at the same wage rate as full-time employees and are paid for each hour worked. Part-time employees will receive vacation and holiday pay in accordance with Company policy.
  - d) Part-time employees are eligible to participate in the Company 401(k) Plan, Part time employees will be and are eligible for company match employee deferrals as identified in Article 28.

## **ARTICLE 21 OVERTIME**

- Section 1.** Overtime, at one and one-half (1-1/2) times the regular straight time rate, will be paid for work in excess of forty (40) hours in a workweek.
- Section 2.** There shall be no duplication or pyramiding of overtime payments.
- Section 3.** An employee called back to work after completing an 8 hour shift, will be paid at the overtime rate for the hours actually worked or be paid a minimum of four (4) hours straight time pay, whichever is greater.
- Section 4.** Double-time will be paid for all work performed on the 7th consecutive day of work, regardless of the pay period. For purposes of this section, floating holidays and other paid time off do not constitute a day of work. Employees will not be directed to end their flex schedule to avoid overtime.
- Section 5.** The Site Manager or designee must approve all overtime.

## **ARTICLE 22 LEAVE OF ABSENCE**

- Section 1. Leave Without Pay.** The Company may at its sole discretion approve a leave of absence without pay up to ninety (90) calendar days for personal reasons. The 90-day limit may be extended by agreement of the Company at its sole discretion. Such leave must be requested in writing and approved by the Site Manager or designee through the employee's supervisor. Said request must also state the reason for the unpaid leave. Employees must request such leave at least five (5) calendar days prior to the date the leave would commence, except in cases of emergency. An employee who takes leave without pay shall have his benefit date adjusted to the number of workdays he was absent.
- Section 2. Failure to Return to Work from Leave of Absence.** Failure to return from a leave of absence on the first scheduled work day following the expiration date of said leave, will result in termination of the employee, except in extenuating circumstances involving reasons acceptable to the Company in its sole discretion.
- Section 3. Military Service.** Any employee of the Company who is involuntarily inducted into or recalled to military service of the United States and who by reason of such service is entitled under the law to be regarded as a veteran,

shall, upon his discharge and his receipt of a certificate of the satisfactory completion of his military obligation, be accorded all rights of The Uniformed Services Employment and Reemployment Rights Act of 1994. Employees ordered for "annual" active reserve training with the U.S. Military Reserves or National Guard shall be granted a leave of absence not to exceed a maximum of fifteen (15) working days per U.S. Government fiscal year.

An active reserve employee activated for military service shall be granted leave for the duration of involuntary orders. The employee must furnish the Company a copy of their military orders at the time the leave is requested. Such leave of absence shall be referred to as military leave. Employees will be paid the difference between their regular straight time base pay and their military base pay, provided a leave and Earnings Statement is submitted per Company policy on the effective date of this agreement. Employees may request vacation pay while on approved military leave.

The employee should refer to the Company's Military Leave Policy for additional information regarding health and welfare benefits, return from military leave and reemployment opportunities.

**Section 4. Jury Duty.** Bargaining unit employees who are required by proper court order or summoned to be absent from work in connection with jury duty will be paid at their regular straight time wage rate, including opt out incentives, less any compensation paid for jury duty service, pursuant to Company policy in effect on the effective date of this agreement. Any employee that is called for jury duty and released within four (4) hours of service that day will be expected to return to work and shall receive payment unless excused by the Site Manager or designee.

**Section 5. Temporary Absence for Disabling Illness, Injury.** Full-time seniority employees having ninety (90) days or more of continuous service credit and who are found and certified by a physician to be unable to perform their regular assigned duties with the Company because of disabling illness or injury, shall receive a leave of absence without pay, but with service credit and seniority accumulating while such condition continues

## **ARTICLE 23 HOLIDAYS**

**Section 1** For the remainder of 2015, all unused floating holiday balances will be available for use through December 31, 2015. Unused holiday hours will not carry over or be paid out.

**Section 2** Effective January 2016 and beyond, full time employees shall receive eighty (80) hours of floating holiday on an annual basis. Floating holiday may be taken in the lowest increment of time allowable by the time keeping system, and is subject to management approval. Employees may not carry-over or be paid out for unused floating holiday time.

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**Section 3** Effective January 2016 and beyond, for full time new hires, floating holiday hours will be pro-rated at a rate of according to the section below.

Start before April 1 will receive 80 hours of holiday floaters  
Start before May 1 will receive 72 hours  
Start before June 1 will receive 64 hours  
Start before July 1 will receive 56 hours  
Start before August 1 will receive 48 hours  
Start before September 1 will receive 40 hours  
Start before October 1 will receive 32 hours  
Start before November 1 will receive 24 hours  
Start before December 1 will receive 16 hours  
Start before December 31 will receive 8 hours

**Section 4** Employees scheduled to involuntarily work on a day observed as a holiday (listed below) as set by the Federal Government shall be paid their normal hourly wage, plus time and a half, for a minimum of 8 hours.

New Years Day, Martin Luther King's Birthday, Presidents Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day

**ARTICLE 24  
VACATION**

**Section 1.** Vacation is accrued monthly. Accrual rates are based on the employee's seniority date.

**Section 2.** Full time employees covered by this agreement hired on or before August 31, 2015 or recalled by December 31, 2016 will be eligible for vacation pay based on Vacation Table 1 accrual rates. Employees accruing vacation in accordance with the schedule in Vacation Table 1 will continue to accrue vacation time, but may only carry over a maximum of two (2) times their annual accrual rate to the next benefit anniversary year.

**VACATION TABLE 1**

Completed Years of Service	Hours Accrued (Annual)	Hours Accrued (Monthly)
Less than 1	Up to 40/yr	3.333
1-4	Up to 80/yr	6.667
5-11	Up to 120/yr	10.000
12-13	Up to 128/yr	10.666
14	Up to 136/yr	11.333



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15+	Up to 160/yr	13.333
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**Section 3.** Full time employees hired on or after September 1, 2015 and covered by this Agreement will be eligible for vacation with pay based on Vacation Table 2. For Employees accruing vacation in accordance with Vacation Table 2, the vacation accrual limit is 400 hours. After an employee's accrual reaches the vacation accrual limit, additional accruals will no longer be awarded until such time as the employee's accrued vacation total falls below the vacation accrual limit.

**VACATION TABLE 2**

Completed Years of Service	Hours Accrued (Annual)	Hours Accrued (Monthly)
Less than 4	Up to 80/yr	6.667
More than 4 but less than 19 years	Up to 120/yr	10.000
19 or more years	Up to 160/yr	13.333

**Section 4.** Vacation requests must be submitted to the Site Manager or designee. The Site Manager or designee is the final approving authority for all vacation requests. Employees may use advance vacation up to 40 hours with management approval. Vacations will be approved/scheduled in accordance with the following priority:

- 1) Date of request
- 2) Seniority

Every effort will be made by the employee's supervisor to develop a fair and equitable vacation schedule. However in all cases, job requirements will take precedence.

Vacation may be used in increments of hours and tenths of hours.

**Section 5. Vacation Pay.** There will be no pay in lieu of time off. Upon termination, any accrued unused vacation will be paid out to the employee or the employee's estate.

**Section 6. Donation of Leave.** Administer according to company policy. Existing policy as of the date of request. The company maintains the right to modify, change or eliminate the applicable policy.

**ARTICLE 25  
BEREAVEMENT**

**Section 1.** In the event of death of a member of an employee's immediate family, the employee may be granted up to three (3) days bereavement leave with pay. Two (2) additional days of unpaid leave may be granted if out of town travel is required.

**Section 2.** "Immediate family" shall be considered as follows: Spouse, parent, parent of spouse, legal guardian, child, child's spouse, brother, sister, niece, nephew, aunt, uncle, brother or sister of spouse, stepparent, stepparent of spouse, stepchild, stepbrother, stepsister, grandchild, grandparent, and grandparent of spouse.

## ARTICLE 26 WAGE RATE SCHEDULE

**Section 1.** The current wage rates of the bargaining unit employees will remain in effect thru August 31, 2015. The following wage rates will be effective September 1, 2015 and for the period through December 31, 2018 and apply to all bargaining unit employees:

JOB DESCRIPTION	Current Hourly Wage Rate	3% LS Sep 4, 2015	RAISE Jan 4, 2016 2%	RAISE Jan 2, 2017 2.5%	RAISE Jan 1, 2018 2.5%
FTU Pilot Instructor	\$53.35	\$53.35	\$54.42	\$55.78	\$57.18
FTU Loadmaster Instructor	\$49.85	\$49.85	\$50.85	\$52.12	\$53.42
Scheduler/Librarian	\$27.24	\$27.24	\$27.78	\$28.48	\$29.19

### Lump Sum Payment In Lieu of GWI

On the dates indicated above, each eligible employee will receive a payment equal to 3.0%, of his or her base hourly rate x 2080 hours subject to applicable taxes. The parties agreed that payment shall not be included in the employee's calculation in regular rate for pay for overtime purposes.

All lump sum payments may be deferred to the Performance Sharing Plan (PSP 401(k) Savings Plan) upon completion and timely submittal of the appropriate form provided by the Company by Monday, August 17, 2015.

**Section 2.** Lead differential pay of \$4.25 per hour will be paid. A lead is defined as an employee who is required to assist the Site Manager or designee or designee in scheduling work, responsible for instructing, aiding a group of employees and may be required to perform evaluations. A lead assists the Site Manager or designee or designee in maintaining a smooth flow of work, maintains records and reports to the Site Manager or designee or designee the reason for failure to maintain flow of work. May be called on to replace Site Manager or designee or designee temporarily in case of absence. The Company will assign the lead employees.

**Section 3. Observation Flight.** Employees that are authorized by the Company to observe on training aircraft flights will be paid, once per calendar year, at 1.5

times their regular straight time rate for the period starting at mission show time and ending at the termination of mission debrief. In addition, as a Company incentive, the employee will receive one Flight Incentive Day Off per year consisting of 8 hours paid at the employee's regular straight time rate. In the event of off-station delays, the Company will reimburse the employee for expenses incurred in accordance with Company travel policy.

## **ARTICLE 27 HEALTH AND WELFARE**

The Company will offer employees the opportunity to purchase group medical insurance for employees and their dependents, which provides the same coverage, as the medical insurance provided to non-bargaining unit employees on a company-wide basis. All issues such as eligibility, enrollment and claims will be as specified in the plan documents.

Effective January 1, 2013 and through December 31, 2015, employees will contribute 50% of cost of the medical insurance premium. An employee who elects to opt out of medical coverage will receive \$115.00 per week. The costs of family medical coverage will be frozen at the 2012 rates for the remainder of this agreement. For all other medical coverage levels, the employees will pay the cost incurred by the company but yearly increases in premiums to the employee will be capped at no more than 10%.

Effective January 2016, the Lockheed Martin Operation Support (LMOS) medical plans will be offered to bargaining unit employees on the same basis such plan(s) are offered to non-represented employees, including but not limited to premium contributions. Under this same basis language, the Company maintains the right to pass through improvements, modifications, changes, and/or employee premiums to these plans at any time during the existence of the collective bargaining agreement and thereafter until a new agreement and/or good faith bargaining impasse has been reached. The Association will be notified of any modifications or changes to these plans.

Effective January 1, 2013 and through December 31, 2015 employees will contribute 50% of the cost of the dental insurance premium. Beginning in January 2016 and beyond, employees can purchase Dental and Vision insurance at the Lockheed Martin Operation Support (LMOS) design and cost share, which may be subject to change. An employee who elects to opt out of dental coverage will receive \$5.40 per week through December 31, 2015.

Through December 31, 2015, vision will remain 100% employee paid.

With regard to other Company benefits, employees covered by this bargaining agreement will be offered the same Lockheed Martin Operating Services (LMOS) Health & Welfare insurance benefits at the same contribution rates as the non-represented employees. The Company maintains the right to pass through any modifications, changes or employee premiums to these plans at any time. Any elimination contemplated to these plans will only be the result of Company no longer offering the specific plan. If and when these situations arise, the Company will notify the Association prior to taking such action.

Opt-Out Option

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- a) Beginning January 1, 2016, An employee who elects to opt out of medical coverage will receive **\$115.00** per week. An employee who elects to opt out of dental coverage will receive **\$5.40** per week.
- b) Employees are not eligible for the opt out credits if they are covered as a dependent on a Lockheed Martin plan by another Lockheed Martin employee. (e.g. if you are not covered as a dependent for medical you would receive medical opt-out, but if you are covered under dental, you would not receive dental opt-out)
- c) The Opt-out option would become ineffective and subject to renegotiation in the event it is determined that the arrangement may result in non-compliance with the Affordable Care Act. If such negotiations fail to modify such plan(s), in an effort to avoid the excise tax thresholds, then the Company has the right to modify the plan(s) up to the point where the premium falls below the threshold but no further than administratively practicable.
- d) It is the intent of both the Company and Association that none of the benefits provided in connection with the aforementioned health insurance benefits (e.g. medical, health care spending accounts) will cause the application of an excise or High Cost Coverage Excise Tax (Cadillac Plan Tax) as a result of providing such benefits with respect to The Patient Protection and Affordable Care Act (the "PPACA"). Accordingly, in order to avoid such a tax and in keeping with the intent of the parties, the Company reserves the right, both during the term of this Agreement and after its expiration, to amend, modify and/or alter the health insurance benefits provided above solely for the purpose of avoiding implementation of a High Cost Coverage Excise Tax pursuant to PPACA. Should the Company introduce or change health care options offered to Services employees during the term of this Agreement and after its expiration, such options may, within the Company's discretion, be extended to individuals covered by this Agreement on the same basis as would be available to employees not represented by a labor organization. Same basis applies to any and all aspects including but not limited to eligibility, effective dates and plan designs.

### **ARTICLE 28 SAVINGS PLAN**

The Company will provide a 401(k) Plan for bargaining unit employees, to which plan eligible employees may defer compensation within limitations provided by the plan document and to which the Company will match employee deferrals of compensation of up to four (4%) percent. Vesting will become effective immediately. All other conditions will be governed by the plan document. In no event will the company matching contributions exceed the maximum matching contribution permitted by the language of the 401(k) plan.

### **ARTICLE 29 EDUCATIONAL ASSISTANCE**

**Section 1.** The Company will provide a tuition assistance program that grants educational financial assistance to employees that enroll in and successfully complete accredited courses with a satisfactory grade per Company Policy in effect on the effective date of this agreement.

**Section 2.** Any education or training required by the customer or the company due to process or technological changes, or changes in position requirements will be borne by the Company

**ARTICLE 30  
PERSONAL/SICK LEAVE**

**Section 1. Sick and Personal Leave.** For the balance of 2015, an employee will accrue monthly paid sick and personal time at the rate of 6.6667 hours each month in which the employee receives compensation from the Company not to exceed a maximum of 80 hours **per year**.

**Section 2.** Effective January 2016, employees will receive 40 hours of paid sick and personal time. New Hires will receive a prorated amount of paid sick and personal time calculated at 6.6667 hours per each month in which the employee receives compensation from the Company. Unused sick and personal time hours will not carry over or be paid out. Payment for sick/personal leave time shall be at the employee's straight time base rate, including pay additives where applicable.

**ARTICLE 31  
TRAVEL**

**Section 1.** Employees will be paid in accordance with this Article when they are required to travel more than 25 miles from the normal work place to perform duties for the Company.

**Section 2. Logging of Hours.** An employee, while on travel status, will be paid for:

- 1) All actual work time when such work has been assigned and approved in advance.
- 2) Actual travel time by any conveyance; provided, however, that hours paid under 1. and 2. of this paragraph shall not be duplicative.
- 3) On the days of travel to and from a temporary work site, the travel time shall commence when the employee departs home/hotel and cease when the employee reaches home/hotel. Should travel be necessary outside an employee's normal daily work shift, the employee shall be paid in accordance with overtime rules as though they were at their normal duty location.

**Section 3.** The Company will provide per diem as specified in accordance with company policy.

**ARTICLE 32  
EFFECT OF LAW**

In the event that now, or hereafter, there is any State or Federal law or any directive, order, rule, or regulations made pursuant thereto, which is in conflict with any provision or

provisions of any agreement between the parties, the same shall supersede such provision or provisions and thereafter shall govern and control the relations and conduct of the parties so long as such law, directive, order, rule, or regulations shall remain in force and effect. In the event that this or any other agreement existing between the parties hereto, now, or thereafter requires the approval of any Government authority before becoming effective, the same will and shall be subject to such approval. Furthermore, it is mutually agreed that within thirty (30) calendar days after such provision or provisions become unlawful, the parties shall meet to discuss a modification of such provision or provisions to comply with the law. In all other respects the provisions of this Agreement shall continue in full force and effect for the duration of this Agreement.

**ARTICLE 33  
SUCCESSORS AND ASSIGNS**

The Agreement shall be binding upon the successors and assigns of the parties hereto until expiration, or until it is changed by mutual agreement of the parties. This Agreement supersedes all Letters of Acceptance and previous contracts.

**ARTICLE 34**  
**TERM AND NOTICE OF CHANGE OR TERMINATION**

This Agreement shall be effective and shall continue in full force and effect through December 31, 2018, and therefore be automatically renewed from year to year, unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least sixty (60) days prior to the expiration date of the agreement.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their authorized representatives on July 28, 2015.

For Lockheed Martin:

For the Association:

*//Signature on file//*

*//Signature on file//*

\_\_\_\_\_  
Mike Busco  
Labor Relations

\_\_\_\_\_  
JB Williams  
President

*//Signature on file//*

*//Signature on file//*

\_\_\_\_\_  
Charles Cash  
Deputy Program Manager/Site Manager

\_\_\_\_\_  
Michael Randag  
Vice President

*//Signature on file//*

*//Signature on file//*

\_\_\_\_\_  
Lisa Hardin  
Human Relations

\_\_\_\_\_  
Jason Breaux  
Steward

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\_\_\_\_\_  
Kate Brissette  
Human Relations

\_\_\_\_\_  
Wendel Msall  
Steward

*//Signature on file//*

\_\_\_\_\_  
Casey Okpo  
Labor Relations

*//Signature on file//*

\_\_\_\_\_  
John Estrada  
Program Manager

**APPENDIX A**

**Memorandum of Understanding  
Between Lockheed Martin Mission Systems And Training Services  
And  
The Little Rock Association Of Instructors, Technicians, And Support Personnel  
(LRAITSP)**

**Flex 9/80 Work Schedule**

Where there is conflict between these provisions and the Collective Bargaining Agreement, these provisions will control.

1. The Company will establish a Flex 9/80 work schedule. The first week will consist of nine (9) hour workdays, Monday through Thursday, and an eight (8) hour workday on Friday. The second week will consist of nine (9) hour workdays, Monday through Thursday, with Friday as a day off. Daily start and stop times and the number of work hours can vary on each workday as long as 40 hours of work is performed in each 168 hour work week. Any flexing of time must occur within the same work week.
2. The standard workweek for accounting purposes will begin mid-workday Friday and end 168 hours later on the following Friday.
3. The Company may assign employees in such a manner so that the Company may remain open for business on each Friday by establishing two (2) separate alternating 9/80 schedules known as the 9/80A schedule and the 9/80B schedule. Based on business need, the Company may assign employees to the regular 5/40 work week defined in Article 20.
4. Work in excess of forty (40) hours during the standard workweek defined in Section 2 of this MOA will be paid at the rate of one and one-half (1-1/2) times the regular hourly rate.
5. Double time will continue to be paid in accordance with Article 21, Section 4 of the Collective Bargaining Agreement.
6. Vacation will be paid for up to nine (9) hours Monday through Thursday and up to eight (8) hours for the normally scheduled work Friday. The vacation pay allowances will not exceed the total number of hours an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the vacation payment covered in Article 24 of the Agreement.
7. Sick leave will be paid for up to nine (9) hours Monday through Thursday and up to eight (8) hours for a normally scheduled work Friday. The sick leave pay allowances will not exceed the total number of hours an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the sick leave payment covered in Article 30 of the Agreement.



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8. Floating holidays will be paid up to nine (9) hours Monday through Thursday and up to eight (8) hours for the normally scheduled work Friday. The floating holiday allowances will not exceed the total allotment an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the floating holiday payment covered in Article 23 of the Agreement.
9. Bereavement will be paid up to nine (9) hours Monday through Thursday and up to eight (8) hours for the normally scheduled work Friday. The bereavement allowances will not exceed the total allotment an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the floating holiday payment covered in Article 25 of the Agreement.
10. Jury duty will be paid up to nine (9) hours Monday through Thursday and up to eight (8) hours for the normally scheduled work Friday. Jury duty allowances will not exceed the total allotment an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the floating holiday payment covered in Article 22 Section 4.
11. Military Leave will be paid up to nine (9) hours Monday through Thursday and up to eight (8) hours for the normally scheduled work Friday. Military leave allowances will not exceed the total allotment an employee would receive under the Collective Bargaining Agreement. Employees will continue to be eligible for the floating holiday payment covered in Article 22 Section 3.
12. In the application of the Memorandum of Understanding, the following definitions apply:

Mid-workday Friday – defined as occurring immediately after the first half of scheduled hours worked during the on Friday. Mid-workday Friday occurs at the same time each week. To determine: Add one-half of regularly scheduled on-Friday work hours to regularly scheduled on-Friday start time.